

DutaLand Berhad

(Company No: 7296-V)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2009

	As at 30-Sep-09 RM'000 (Unaudited)	As at 30-Jun-09 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	345,415	343,505
Biological assets	129,816	129,617
Land held for property development	94,920	94,920
Investment properties	4,822	4,867
Prepaid land lease payments	123,811	124,278
Investments	104	104
Long term receivable	21,328	21,328
Deferred tax assets	8,758	8,735
	<u>728,974</u>	<u>727,354</u>
Current assets		
Property development costs	343,626	340,484
Inventories	6,900	7,131
Due from a former associate	5,639	5,793
Receivables	50,129	46,368
Tax recoverable	290	350
Short term investments	1,897	3,354
Cash and bank balances	3,911	13,460
	<u>412,392</u>	<u>416,940</u>
TOTAL ASSETS	<u>1,141,366</u>	<u>1,144,294</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	590,510	586,079
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	288,469	293,092
Irredeemable Convertible Bonds ("ICB")	10,532	10,532
Irredeemable Exchangeable Bonds ("IEB")	4,062	4,062
Reserves	27,368	27,176
Accumulated losses	(158,653)	(154,229)
	<u>762,288</u>	<u>766,712</u>
Minority interests	57,310	57,540
Total equity	<u>819,598</u>	<u>824,252</u>
Non-current liabilities		
Borrowings	177,023	177,404
Deferred tax liabilities	20,183	20,197
	<u>197,206</u>	<u>197,601</u>
Current liabilities		
Provisions for liabilities	128	128
Borrowings	78,409	77,291
Due to affiliates, net	152	153
Payables	43,938	42,914
Current tax payable	1,935	1,955
	<u>124,562</u>	<u>122,441</u>
Total liabilities	<u>321,768</u>	<u>320,042</u>
TOTAL EQUITY AND LIABILITIES	<u>1,141,366</u>	<u>1,144,294</u>

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-09 RM'000	Preceding year corresponding quarter 30-Sep-08 RM'000	Current financial year-to-date 30-Sep-09 RM'000	Preceding year corresponding period 30-Sep-08 RM'000
Revenue	12,480	35,037	12,480	35,037
Expenses	(14,711)	(34,578)	(14,711)	(34,578)
Other income	1,196	1,992	1,196	1,992
Finance costs, net	(4,070)	(4,689)	(4,070)	(4,689)
Loss before taxation	(5,105)	(2,238)	(5,105)	(2,238)
Income tax expense	70	(1,639)	70	(1,639)
Loss for the period	(5,035)	(3,877)	(5,035)	(3,877)
Attributable to:				
Equity holders of the Company	(4,805)	(3,823)	(4,805)	(3,823)
Minority interests	(230)	(54)	(230)	(54)
	(5,035)	(3,877)	(5,035)	(3,877)
Earnings per share attributable to equity holders of the company (sen):				
Basic	(0.82)	(0.68)	(0.82)	(0.68)
Diluted	(0.82)	(0.68)	(0.82)	(0.68)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	← Attributable to Equity Holders of the Company →					Non-Distributable	Total Shareholders' Equity	Minority interest	Total Equity
	Share capital	Equity component of ICULS	Equity component of ICB	Equity component of IEB	Reserves				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
3 months ended 30 September 2009									
At 1 July 2009	586,079	293,092	10,532	4,062	27,176	(154,229)	766,712	57,540	824,252
Loss for the period, representing total recognised income and expense for the period	-	-	-	-	-	(4,805)	(4,805)	(230)	(5,035)
Conversion of ICULS	4,431	(4,623)	-	-	192	381	381	-	381
At 30 September 2009	<u>590,510</u>	<u>288,469</u>	<u>10,532</u>	<u>4,062</u>	<u>27,368</u>	<u>(158,653)</u>	<u>762,288</u>	<u>57,310</u>	<u>819,598</u>
3 months ended 30 September 2008									
At 1 July 2008	564,603	316,187	75,337	44,602	26,251	(227,680)	799,300	58,084	857,384
Loss for the period, representing total recognised income and expense for the period	-	-	-	-	-	(3,823)	(3,823)	(54)	(3,877)
At 30 September 2008	<u>564,603</u>	<u>316,187</u>	<u>75,337</u>	<u>44,602</u>	<u>26,251</u>	<u>(231,503)</u>	<u>795,477</u>	<u>58,030</u>	<u>853,507</u>

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	Year-to-date 30-Sep-09 RM'000	Year-to-date 30-Sep-08 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(5,105)	(2,238)
Adjustments for :		
Amortisation	467	825
Depreciation	1,633	1,253
Gain on disposal of property, plant and equipment, net	-	(26)
Loss on disposal of short term investment	61	-
Unrealised foreign exchange (gain)/loss, net	(1,011)	5,281
Creditors waiver	(44)	-
Interest expense	4,083	4,926
Interest income	(13)	(237)
Impairment losses on marketable securities	-	715
Allowance for doubtful debts	-	126
Write back of allowance for doubtful debts	(94)	-
Operating (loss)/profit before working capital changes	(23)	10,625
Changes in working capital	(5,355)	9,319
Cash (used in)/generated from operations	(5,378)	19,944
Taxation paid	(54)	(4,445)
Interest paid	(21)	(2)
Net cash (used in)/generated from operating activities	(5,453)	15,497
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure incurred on biological assets	(199)	(1,457)
Purchase of property, plant and equipment	(3,498)	(1,462)
Interest received	13	237
Proceeds from disposal of property, plant and equipment	-	40
Proceeds from disposal of short term investments	1,396	-
Net cash used in investing activities	(2,288)	(2,642)
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in amount due to affiliates, net	(1)	-
(Repayment)/drawdown of borrowings, net	(1,625)	9,502
Repayment of hire purchase and lease payables	(182)	(309)
Net cash (used in)/generated from financing activities	(1,808)	9,193
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(9,549)	22,048
EFFECTS OF EXCHANGE RATE CHANGES	-	(3)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	14,848	36,757
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	5,299	58,802

PART A : Notes Required by FRS 134

A1) Accounting policies and methods of computation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2009.

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 30 June 2009.

A2) Seasonal or cyclical factors

The business operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

A3) Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence

There were no items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual due to their nature, size or incidence for the current financial period, other than as disclosed in the financial statements.

A4) Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years, which give a material effect in the current interim period

There were no changes in the estimates of amounts, which give a material effect in the current financial period.

A5) Debt and equity securities

During the 3 months period under review, the following financial instrument has been converted into ordinary shares of the Company:

<u>Financial instrument</u>	<u>Nominal value converted</u>	<u>Outstanding nominal value as at 30-Sep-09</u>
Irredeemable Convertible Unsecured Loan Stocks of nominal value RM1.00 each (“ICULS”)	5,228,800	326,271,000

A6) Dividends paid

No dividends have been paid for the current financial period.

A7) Segmental reporting

Segmental analysis for the current financial period by business segments is as follows:

	Property Development	Plantation	Manufacturing	Investment Holding and Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
3 months ended 30 September 2009						
Revenue						
External revenue	4,557	7,225	277	421	-	12,480
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>4,557</u>	<u>7,225</u>	<u>277</u>	<u>421</u>	<u>-</u>	<u>12,480</u>
Results						
Segment results	(639)	2,228	(1,346)	(1,278)	-	(1,035)
Finance costs, net						(4,070)
Income tax expense						70
Loss for the year						<u>(5,035)</u>
3 months ended 30 September 2008						
Revenue						
External revenue	2,588	31,707	385	357	-	35,037
Inter-segment revenue	-	-	-	7	(7)	-
Total revenue	<u>2,588</u>	<u>31,707</u>	<u>385</u>	<u>364</u>	<u>(7)</u>	<u>35,037</u>
Results						
Segment results	(1,496)	12,489	(567)	(7,975)	-	2,451
Finance costs, net						(4,689)
Income tax expense						(1,639)
Loss for the period						<u>(3,877)</u>

A8) Significant post balance sheet event

There were no material transactions or events subsequent to the end of the current quarter.

A9) Effect of changes in the composition of the Group

There were no changes in the composition of the Group for the current financial period.

A10) Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities and contingent assets since the last annual balance sheet as at 30 June 2009 to the date of this report.

A11) Capital commitments

There were no material capital commitments which have not been provided for in the financial statements as at 30 September 2009.

PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

Revenue for the first quarter ended 30 September 2009 is lower by RM22.6 million or 64% as compared to the previous year's corresponding quarter. This was mainly due to lower contribution from the plantation division of RM24.5 million but was partially offset by higher contribution from the property development division of RM2.0 million.

The Group registers a loss before tax of RM5.1 million in the current quarter against loss of RM2.2 million in the previous year's corresponding quarter. This was mainly due to lower profit contributed by the plantation division by RM10.4 million, offset against lower forex loss of RM6.3 million.

B2) Material changes in quarterly results

The net loss for the first quarter ended 30 September 2009 is RM5.0 million, as compared to the net profit of RM53.2 million of preceding quarter. The profit in the preceding quarter was mainly derived from the reversal of provision for litigation claim of RM21.3 million, and tax credit of RM14.9 million.

B3) Commentary on:

(a) Current year prospects

The Group's results for the financial year ending 30 June 2010 is dependent on the economic conditions.

(b) Progress to achieve the revenue or profit estimate, forecast, projection or internal targets which was previously announced or disclosed in public document

There were no revenue or profit estimate, forecast, projection or internal targets, which was previously announced or disclosed in public document.

B4) Statement of the board of directors' opinion whether the revenue or profit estimate, forecast, projection or internal targets which was previously announced or disclosed in public document are likely to be achieved

Not applicable.

B5) Variance from profit forecast and shortfall in profit guarantee

Not applicable.

B6) Taxation

Tax charge comprises of the followings:

	Current Quarter 30-Sep-09 RM'000	Current Financial Year-To-Date 30-Sep-09 RM'000
Tax charge for the quarter	94	94
Transfer from deferred taxation	(164)	(164)
	<u>(70)</u>	<u>(70)</u>

The disproportionate tax charge for the period is due principally to certain expenses being disallowed for taxation purposes.

B7) Unquoted investments and/or properties

There was no sales of unquoted investments and properties during the current financial period.

B8) Quoted Securities

(a) During the quarter, the Group had disposed of 5,830,000 shares quoted on Bursa Malaysia Securities Berhad for total sum of RM1,396,000. The disposals had resulted in a loss of RM61,000 to the Group.

(b) Investment in quoted securities as at 30 September 2009:

	As at 30-Sep-09 RM'000
Total Investment at cost	2
Total Investment at carrying value/book value (after impairment losses)	-
Total Investment at market value as at 30 September 2009	-

B9) Status of corporate proposals announced but not completed

On 6 May 2009, the Securities Commission has approved the extension of twelve months up to 26 April 2010 for the Company to complete the implementation of the remaining portion of the special issue of 54,268,208 new ordinary shares of RM1.00 each in DutaLand Bhd together with 54,268,208 free detachable warrants at an issue price of RM1.00 per DutaLand share to Bumiputra investors identified and approved by Ministry of International Trade and Industry. This proposal is pending implementation by the Company.

B10) Group borrowings

The Group borrowings are as follows:

	As at 30-Sep-09 RM'000
Short-term borrowings:	
Secured	71,351
Unsecured	7,058
	<u>78,409</u>
Long-term borrowings:	
Secured	158,484
Unsecured	18,539
	<u>177,023</u>
Total borrowings	<u>255,432</u>

Included in the secured borrowings are foreign currency borrowings of USD22,140,000 (RM77,168,000 equivalent).

B11) Off balance sheet financial instruments

The Group has no financial instruments with off balance sheet risks as at the date of this report.

B12) Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date

The list of material litigation is attached as Annexure 1.

B13) Dividend declared

No dividend has been declared/ recommended for the current financial period.

B14) Earnings per share

	3 months ended		3 months ended	
	30-Sep-09	30-Sep-08	30-Sep-09	30-Sep-08
(a) Basic				
Loss attributable to ordinary equity holders of the Company (RM'000)	(4,805)	(3,823)	(4,805)	(3,823)
Weighted average number of ordinary shares ('000)	588,827	564,603	588,827	564,603
Basic earnings per ordinary share for the period (sen)	<u>(0.82)</u>	<u>(0.68)</u>	<u>(0.82)</u>	<u>(0.68)</u>
	3 months ended		3 months ended	
	30-Sep-09	30-Sep-08	30-Sep-09	30-Sep-08
(b) Diluted				
Loss attributable to ordinary equity holders of the Company including assumed conversions (RM'000)	(4,805)	(3,823)	(4,805)	(3,823)
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	588,827	564,603	588,827	564,603
Diluted earnings per ordinary share for the period (sen)	<u>(0.82)</u>	<u>(0.68)</u>	<u>(0.82)</u>	<u>(0.68)</u>

The diluted EPS is the same as the basic EPS. This is because the computations of diluted EPS produced anti-dilution effects and were therefore disregarded.

B15) Declaration of audit qualification

The audit report of the Company's preceding annual financial statements was not subject to qualification.

On behalf of the Board
DUTALAND BERHAD

Yap Siew Khim
Company Secretary

Kuala Lumpur
19 November 2009